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FOR IMMEDIATE RELEASE

Terry Goddard Announces MillerCoors to Halt All Alcoholic Energy Drinks

(Phoenix, Ariz. – Dec. 18, 2008) Attorney General Terry Goddard, along with Attorneys General from 12 other states and the City Attorney of San Francisco, today announced an agreement reached with MillerCoors that will result in the nationwide discontinuance of caffeine and other stimulants from the best-selling pre-mixed alcoholic energy drink in the country, Sparks. As part of the agreement, MillerCoors also agreed not to produce any caffeinated alcohol beverages in the future.

As part of the agreement, MillerCoors agreed to a \$550,000 financial settlement with the participating states. Arizona's share of the settlement is \$30,000.

"I am pleased that MillerCoors has agreed to discontinue caffeine-infused alcoholic beverages," Goddard said of the agreement. "The combination of high caffeine with alcohol appeals to young people. I urge other companies to follow the lead of MillerCoors and voluntarily discontinue these unsafe beverages. I will continue to work with Attorneys General nationwide to explore all options, including legal action, to remove these dangerous 'alco-pops' from the market and keep our young people safe."

In early 2008, published research about the dangers of alcoholic energy drinks and concerns about the way the products were being marketed led Goddard and other Attorneys General to initiate an investigation into the content and marketing of MillerCoors' Sparks brand products, including Sparks Original, Sparks Light, Sparks Plus and an unreleased higher alcohol product called Sparks Red. The investigation concerned allegations that, among other things, MillerCoors made false or misleading health-related statements about the energizing effects of Sparks brand products and marketed the products to an underage audience.

Under the terms of the agreement, which comes in the form of an Assurance of Discontinuance and does not constitute an admission of wrongdoing, MillerCoors will replace the current Sparks products with a modified version of the malt beverage that does not contain caffeine or other stimulants will remain on the market.

Also according to the settlement, MillerCoors has agreed to modify its promotional practices to address the Attorney General's specific concerns about the marketing of Sparks. MillerCoors has agreed to stop using images, such as the battery-themed "+/-" symbols, that imply energy or power on the can. MillerCoors has also agreed to cease particular marketing themes that

appeal to underage youth, discontinue the Sparks web site and has agreed not to renew their contract with William Ocean, an air guitarist who does a back flip onto an opened can of Sparks at all of his shows.

"I am gravely concerned about pre-mixed alcoholic energy drinks," Goddard added. "These dangerous products look like non-alcohol energy drinks and are popular with young people who wrongly believe that the caffeine will counteract the intoxicating effects of the alcohol. These beliefs are fueled by unconscionable marketing campaigns that target our youth and promise endless nights of fun and enhanced abilities."

Goddard also emphasized that young people often aren't drinking just one or two of these alcoholic energy drinks at a time – these products are intended to be consumed several times throughout a night of partying and to be used as a mixer for other alcoholic beverages.

A recently published study by Dr. Mary Claire O'Brien of Wake Forest University found that college students who mix alcohol and energy drinks engage in increased heavy episodic drinking and have twice as many episodes of weekly drunkenness. College students who reported consuming alcohol mixed with energy drinks also had significantly higher prevalence of alcohol-related consequences, such as sexual assault and injury.

In May, the Attorneys General announced that Anheuser-Busch would stop producing alcoholic energy drinks, including Tilt and Bud Extra. With the elimination of Sparks from the market, nearly 85 percent of all alcoholic energy drinks that were available at the start of 2008 will have been taken off the market. Goddard will continue to investigate alcoholic energy drinks manufactured by other companies and will explore all options to address these dangerous products, including regulation, legislation and litigation.

Assistant Attorney General Dena Rosen Epstein handled this matter. A copy of the agreement is available on the Attorney General's Web site, www.azag.gov.

For additional information, please contact Anne Hilby at (602) 542-8019.

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